

# **Association of Consumer Vehicle Lessors**

---

2021 Richard Jones Road, Suite 100  
Nashville, TN 37215  
Phone 615/467-1900  
Fax 615/383-2588  
rmccathren@banklease.com

January 30, 2004

Ms. Jennifer J. Johnson  
Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, N.W.  
Washington, D.C. 20551

RE: Docket Nos. R-1168, R-1167 and R-1170  
Regulation B (Equal Credit Opportunity), Regulation Z (Truth in Lending) and  
Regulation M (Consumer Leasing)

Dear Ms. Johnson:

This comment letter is submitted in response to the proposed revisions to Regulations B, Z and M and the related Official Staff Commentary. We respectfully oppose the revisions concerning the “clear and conspicuous” requirements of Regulations B, Z and M because of the enormous operational burdens involved and the limited, if any, value to consumers.

The Association of Consumer Vehicle Lessors (“ACVL”) is a national trade association for the largest manufacturer and import distributor captive finance companies, banks, and independent leasing companies whose primary goals include increasing consumer understanding of lease benefits and responsibilities through improved disclosure. ACVL’s nineteen member companies represent an estimated 85 percent of all consumer vehicle leasing on a national basis. All of the ACVL members are also large consumer auto finance creditors and they collectively represent a significant if not the majority of consumer vehicle financing on a national basis.

ACVL wishes to express its strong concurrence with the comment letters submitted by the Alliance of Automobile Manufacturers and the American Financial Services Association. Additionally, we note that ACVL was an integral participant in the development of the revised Regulation M issued in 1997 and the Regulation M Consumer Education Project that created a range of educational materials for consumers on understanding and using the new disclosures. The industry made an enormous investment of time, energy, and expense to implement the Regulation M changes including:

Ms. Jennifer J. Johnson  
January 30, 2004  
Page Two

- dealer systems changes;
- finance company/bank reformatting of systems;
- rewriting, printing and distributing contracts and related lease forms; and
- training of dealership and lessor staff.

As the contracts become longer and wider, current systems will be unable to handle the size and printing companies will be unable to mechanically assemble the documents with the current machinery. We believe that Regulation M has been highly successful in improving consumer understanding of vehicle leases as evidenced by the reduction in complaints received by our members as well as by state regulatory agencies. We do not believe that longer, more complicated contract forms will achieve the same consumer benefits.

Thus, we respectfully request that the proposed changes be withdrawn.

Sincerely,

A handwritten signature in dark ink, appearing to read "Rob Mize", with a stylized flourish at the end.

Rob Mize  
President

## Attachment A

<b>2003-2004 ACVL Membership</b>
----------------------------------

American Honda Finance  
Bank One  
Bank of The West  
BMW Financial Services  
Chase Manhattan Automotive Financial Services  
DaimlerChrysler Services North America LLC  
Ford Motor Credit Company  
General Motors Acceptance Corporation  
Mitsubishi Motors Credit of America  
Nissan Motor Acceptance Corporation  
Porsche Financial Services  
Provident Automotive Financial Services  
Regions Bank  
SouthTrust Bank  
Toyota Motor Credit Corporation  
U.S. Bank, N.A.  
VW Credit, Inc.  
Wells Fargo Auto Finance